

OCCUPATIONAL SAFETY AND HEALTH (OSH) IN THE INFORMAL ECONOMY

Valentina Forastieri

forastieri@ilo.org

Senior Specialist on Occupational Health, Health Promotion and Well-being

LABADMINOSH

International Labour Office¹



An OSH strategy for the informal economy

The protection of the health and well-being of workers in the informal economy is a challenge which should be faced with a coherent and integrated approach involving policies for occupational safety and health (OSH) and health promotion, skills development, social protection and employment creation. Enlarged partnerships at the com-

munity level could also facilitate and maximize long-lasting improvements in working and living conditions of informal economy workers.

When the total costs resulting from injury, illness and disability in the formal economy, are taken into account in calculating the true costs of production, it is evident that higher productivity and quality employment can only be reached when requirements for

the prevention of occupational accidents and diseases, the improvement of working conditions and the protection of worker's health and well-being are integrated in the management strategy of the organization. Therefore, improving the safety and health and working conditions of operators in the informal economy, entails improving the physical and mental well-being of workers, their families and communities while securing the viability and productivity of microenterprises and their eventual formalization. The development of measures which effectively combine services to enable microenterprises to increase their income and services to assist them in improving their working conditions and health would also contribute to increased productivity, capacity-building and enterprise growth within the informal economy itself. The organizational efforts of the informal economy operators themselves are the main means whereby they will be able to bring about changes in their working and living conditions.

The incorporation of effective occupational safety and health (OSH) measures in the informal economy units needs to be considered as an immediate action to protect worker's health and improve their standards of living. It also has to be considered part of a transitional strategy aimed at contributing to poverty alleviation and formalization by combining measures for strengthening the conditions and principles which regulate labour relations, working conditions, OSH and employment opportunities, in order to allow for economic integration, social cohesion and decent work for all.

Identifying the nature, diversity and extent of the informal economy in each country is a complex task. As the informal economy is not covered by national recording, notification and compensation systems, there is scarce information on occupational accidents and diseases arising from hazardous working conditions which could be used for the identification of priority areas for prevention. The magnitude and rate of growth of the informal economy are difficult to establish. Most informal activities are un-recorded in official statistics and therefore the mea-

1. The views expressed herein are those of the author and do not necessarily reflect the views of the International Labour Organization.

surement of informal production and labour force is difficult. Available data are scattered and not up-to-date. Given the size of the labour force in developing countries, the diversity of operations and various social demographic characteristics of the informal economy operators, substantial efforts are necessary in order to obtain adequate background information on their working conditions and OSH. Therefore, it is necessary to carry out ad-hoc surveys and/or include OSH modules in national household and similar surveys. This would contribute to cover gaps, validate existing data, enlighten earlier un-mapped areas and produce more reliable estimates to propose preventive and control measures against accidents and diseases in the informal economy.

There are multiple paths to transition from the informal to the formal economy according to a specific country context. The diversity of circumstances of workers and economic units in the informal economy requires addressing such diversity by tailored and balanced approaches. In designing or strengthening national OSH policies and programmes promoting safe and healthy working conditions should aim not only at the formal but also at the informal economy. This is a key condition to protect informal economy worker's life and health, as well as enterprise's productivity and viability to formalize. Such programmes, developed on a tripartite basis would provide employers and workers a unique opportunity to play a leading role. Enlarged partnerships at community level would also facilitate and maximize long lasting improvements in working and living conditions of informal economy workers. Institutions that provide OSH advice and occupational health services have traditionally been available only to formal enterprises. Mechanisms to facilitate the role of OSH authorities, to develop partnerships with a larger range of governmental institutions, non-governmental institutions, and community-based groups are avenues to be further explored. The need to foster a preventive safety and health culture that

encompass the informal economy can be addressed by launching national OSH campaigns on a wide scale using different channels and media at national and local levels.

The ILO model of occupation health delivery for the informal economy is based on the local capacity of the informal economy operators to undertake low-cost improvements at the micro-enterprise level, prevent injuries and diseases and enhance access to health-care through the introduction of a basic preventive model, including the creation of an OSH committee and a first aid focal point in the economic unit, a self-sustainable health insurance scheme and a referral system for the extension of occupational health services using the existing public health structure and a community health approach to prevent and control injuries and communicable, endemic and occupational diseases. Such a model should develop measures which effectively assist economic units in improving their working conditions and safety and health while contributing to enable them to increase their productivity and income through skill development. Adequate channels need to be identified and net-working arrangements at the community and district levels need to be developed, in order to create self-sufficient structures capable of facing the basic needs and demands in a sustainable manner. Enlarged partnerships at the community level would also facilitate and maximize long-lasting improvements in working and living conditions of informal economy workers and succeeding in improving working conditions and extending occupational health services to informal economy operators. The sensitization of policy makers, municipal authorities and labour inspection services will be critical in building-on local institutional support to progressively extend preventive measures. Awareness-raising and promotional activities would be necessary in order to modify attitudes and prejudices against the informal economy and to change the traditional role of labour inspection services towards a preventive and promotional approach providing information,

advice and training.

Since the 90's ILO's approach to OSH has focused in developing innovative, participatory and action oriented measures to support economic units in the urban informal economy, home-based workers, informal construction or mining sites and small-scale farmers in subsistence agriculture by means of introducing preventive measures to protect worker's health and safety and finding low cost solutions to improve working conditions. A number of training tools and programmes have been developed and/or adapted for that purpose. There have also been a number of ILO initiatives with member States to deal with occupational health promotion through the extension of occupational health services to the informal economy. Evidence from ILO's technical cooperation suggests that with the appropriate support informal economy operators can move from a situation of mere survival to a stronger economic position enhancing their working and living conditions, their contribution to economic growth and eventually their social integration into the formal economy.

At present, the International Labour Conference is discussing in a double session (2014-2015) a proposed instrument that, if adopted by the International Labour Conference in 2015, should take the form of a Recommendation. This Recommendation should recognize the need to take urgent measures to enable the gradual transitions of workers and economic units from the informal economy to the formal economy while ensuring that opportunities for livelihood and entrepreneurship are not destroyed. In this context, effective occupational safety and health (OSH) measures in the informal economy units should not wait for their formalization but be taken immediately to protect workers' health and improve their standards of living, and at the same time, be part of a transitional strategy to formalize the informal economy. The instrument should provide guidance to ILO member States to accomplish this goal.²

2. Report V(2) transitioning from the informal to the formal economy. Fifth item on the Agenda. International Labour Conference, 103rd Session, 2014 ILC.103/V/2.